

## FEDERAL INCOME TAX UPHELD; NEW REVENUE SOURCE

U. S. Supreme Court Sweeps  
Aside Every Contention  
Raised.

UNANIMOUS DECISION  
BY HIGHEST TRIBUNAL

Opens Way for Increasing Rate  
on Great Fortunes to Help  
Pay for Defense.

PROPOSALS ALREADY PENDING

Can Be Made to Yield Nearly \$200-  
000,000 a Year Instead of  
\$90,000,000 as Now.

WASHINGTON, D. C., January 24.—The income tax was declared constitutional to-day by the United States Supreme Court in a unanimous decision, which swept aside every contention raised against it, and, in the opinion of congressional leaders, opened the way for increasing the tax rate on great fortunes to help pay for national defense.

Proposals are pending in Congress to tax incomes more than \$1,000,000 as high as 50 per cent. Leaders on all sides agree that out of the impetus which the decision to-day will give such proposals is likely to come a definite movement to levy on the revenues from great private fortunes for some of the millions the government must raise to carry out the army and navy increases.

"The Supreme Court's decision has absolutely unfettered the income tax as a source of revenue," said Representative Hull of Tennessee, author of the law. "All doubt is removed, and Congress is left much freer to act. I believe Congress will take advantage of the opportunity to amend the law materially. Without any unusual or unjust changes, it can be made to yield \$185,000,000 to \$195,000,000 a year, as against \$85,000,000 or \$90,000,000 at present."

Representative Hull is preparing amendments to carry the tax to incomes below \$50,000, and make grade increases in the surtaxes on incomes exceeding \$20,000 a year.

NOT CARRIED OVER

ANY DEFINITE SOLUTION

So far the problem of raising the revenue for national defense, although approached from many angles, has not been carried toward any definite solution. Because of the constitutional question of the income tax, undecided, administration leaders were reluctant to place too much dependence on it.

In its decision, the Supreme Court construed for the first time the sixteenth amendment to the Constitution, under which the tax is levied, and gave it the broadest interpretation possible, rejecting suggestions to confine its scope to narrow limits.

The decision was announced by Chief Justice White, and was rendered in the appeal of Frank R. Brushaber from the action of the New York Federal Court in refusing to enjoin the Southern Pacific, of which Brushaber was a stockholder, from paying the tax. The case raised substantially every point involved in all the five tax cases before the court, with the exception of the effect of the provision allowing mining corporations to make a 5 per cent deduction annually from gross income for depletion of mines. This provision is regarded as being an amendment to the old corporation tax, rather than a feature of the income tax.

CHIEF JUSTICE WHITE

POINTS OUT BASIC ERROR

The basic error of those who attacked the constitutionality of the tax, Chief Justice White held, was in regarding the sixteenth amendment as empowering the United States to levy a direct tax without apportionment among the States, according to population. In substance, the court held that the sixteenth amendment had not empowered the Federal government to levy a new tax, but "that the whole purpose of the amendment was to relieve all income taxes from a consideration of the source whence the income was derived."

Those opposing the tax had urged the sixteenth amendment provided that income "from whatever source derived" should be taxed, without regard to apportionment among the States. They argued that the Underwood-Simmons income tax provision, by reason of exemptions of certain income from taxation, had not come within the meaning of the amendment.

Chief Justice White said the power of the Federal government to levy an income tax had never been questioned. Quoting at length from the famous income tax decisions of 1895, he declared the court then recognized the fact that "taxation on income was in the nature of an excise, entitled to be enforced as such, unless and until it was concluded that to enforce it would amount to accomplishing the result which the requirement as to apportionment of direct taxes was adopted to prevent. In which case the duty would arise to disregard the form and consider the substance alone, and hence subject the tax to regulation as apportionment, which otherwise, as an excise, would not apply to it."

ADOPTED WITH VIEW

OF OBVIATING DOUBT

The court then decided, he added, that the effect of the income tax from real estate was the same as if a direct tax had been levied on the real estate, and that it was with a view of obviating such questions that the amendment had been adopted.

Inasmuch as the amendment had not conferred the power to levy any income tax, said the chief justice, it (Continued on Third Page.)

## Differences Soon May Come to Head

Goethals Resents Criticisms by  
Edwards Concerning Canal  
Government.

PANAMA, January 24.—Serious differences of an official nature that have arisen during the last few months between Major-General George W. Goethals, Governor of the Panama Canal Zone, and Brigadier-General Clarence R. Edwards, commanding the United States troops in the zone, are to come to a head at Washington when those two officials reach the capital, according to Governor Goethals. They sailed to-day for the United States on the steamer Calamaron.

Governor Goethals said before his departure that the criticisms alleged to have been made by General Edwards had reached the Secretary of War, and that the secretary had requested information on the subject. The Governor replied with an official communication, in which he detailed the troubles at considerable length. It is understood that Governor Goethals resents many of the criticisms General Edwards is alleged to have made relative to the form of the canal government. General Edwards believes, it is said, that the military and civil authority should be vested in one person, instead of separated, as at present.

General Edwards, before leaving Panama, said that Governor Goethals had been misinformed, but otherwise he declined to discuss the subject.

Governor Goethals further announced he intends to give General Edwards an ample opportunity to make what statements he thinks necessary before the Secretary of War and the congressional committee.

## EXPLOSION KILLS FOUR

Plant of Kellogg-Hower Company Destroyed—Panic Narrowly Averted  
In Near-By School.

BUFFALO, N. Y., January 24.—Four persons are known to have been killed, several are missing and four were injured in an explosion late to-day that wrecked the plant of the Kellogg-Hower Company, manufacturers of planing mill exhausts and ventilators. Charles Kellogg, head of the firm, said that from twenty-two to twenty-five employees were in the plant, and that twenty-one of them had been accounted for. Mrs. Helen Kellogg, his wife, had both legs blown off, and probably died.

The building occupied by the firm was a long two-story frame structure. The explosion demolished all the walls, letting the roof down on the ruins, which caught fire. Pieces of the foundation were thrown hundreds of feet away, and the explosion smashed nearly every window glass within the radius of a block.

Within 300 feet of the Kellogg plant is one of the largest East Side grammar schools. About 1,500 boys and girls were thrown into a temporary panic, but the teachers quickly marched them to the street.

Mr. Kellogg was uncertain as to the cause of the explosion. Gas was used in several forms in the welding department, and was kept in retainers in the basement. He estimated the financial loss at \$50,000.

## FLOODS FAST RECEDING

Citizens of Yuma and Yuma Valley  
Begin Planning Reconstruction  
Work.

YUMA, ARIZ., January 24.—Floods caused by the breaking of the government levee of the Colorado River on Saturday receded to-day, and citizens of Yuma and the Yuma Valley began planning reconstruction work.

The Colorado River had receded to the twenty-two-foot stage to-night, and it was thought the flow would be normal by to-morrow.

Reports from the Imperial Valley, in California, indicated the Colorado was falling there, and it was believed there was no likelihood of damage being done to the levee there.

Food was sent to the Indian reservation to-day, and telegrams sent to Secretary Lane, of the Interior, urging the government to appropriate \$50,000 for immediate repair of the levees, to prevent a water famine through waste.

## ALLAN LINER DISABLED

Steamer Pomeranian, Outward-Bound  
From Glasgow, Is Making  
For Queenstown.

QUEENSTOWN, January 24.—The Allan Line steamer Pomeranian, outward-bound from Glasgow for Canada, has been disabled in a terrific gale, and is making for Queenstown.

The steamer has lost her rudder and propeller. All aboard the Pomeranian are safe. Another steamer is escorting her to port.

## LYNCHED BY MOB OF 25

W. J. Mayfield, Charged With Killing  
His Father, Mother and Brother,  
Put to Death in Texas.

TENARKANA, TEX., January 24.—W. J. Mayfield, aged about fifty, was taken from the jail at Boston, Tex., shortly before midnight and lynched by twenty-five masked men, according to reports here. Mayfield was held in jail charged with the killing of his father, mother and brother recently with an ax.

FRANCIS JOSEPH VERY ILL

Advices Received by Vatican Are to  
Effect That Emperor's Condition  
Is Grave.

LONDON, January 24.—Advices received by the Vatican are to the effect that the condition of Emperor Francis Joseph is grave, says the Daily Telegraph's Rome correspondent.

## RICHMOND CHARTER BILL IS OFFERED

Gives Citizens Right to Elect  
Charter Commission Independent  
of Council.

TORRENS BILL UP TO-NIGHT

Advocates of Land Registration  
Measure to Be Given Hearing  
Before Committee.

Richmond's charter-commission bill was launched in the Senate yesterday by Senators Cannon and Wendenburg, and referred to the Committee on County, City and Town Organization. The bill is designed to give to the city, upon petition of 25 per cent of the qualified voters, the right, at a special election to be called for the purpose, to elect a commission of seven members, which would then draw up a new form of government, to be submitted, after its approval by the people, to the General Assembly for enactment, without the obligation first to secure the approval of the plan by the City Council.

Torrens system advocates will rally in force to-night before the House Committee for Courts of Justice to renew their fight for the passage of the land registration law in Virginia—a campaign that has been waged at the three last succeeding Legislatures, each time with better progress, but always short of complete success. The hearing will take place in the hall of the House of Delegates at 8 o'clock.

STRONG DELEGATIONS

FAVOR TORRENS BILL

The delegation that will appear in support of the bill will include some of the leading bankers and business men of this city. In the party will be Chairman William Ingle, of the board of directors of the Federal Reserve Bank of Richmond; President R. H. Smith, of the Planters National Bank; Cashier W. Monte Addison, of the First National Bank; Vice-President Henry E. Litchford, of the Old Dominion Trust Company; Secretary J. W. Shinton, of the Richmond Clearing-House Association; Robert M. Kent, of the Bank of Commerce and Trusts; Colonel John Murphy and Captain John Landstreet.

Colonel Eugene C. Massie and J. E. Tyler, Jr., the two Richmonders who initiated the campaign for the enactment of the Torrens law in Virginia, and championed the measure in the early days, when it encountered hostility in every direction, will address the committee. Talks will be made also by several members of the Richmond delegation.

The bill is virtually the same measure that was introduced at the special session last winter. It is believed that it would have been passed at that session had there remained sufficient time to do so after it was introduced. Supporters of the measure predict that the bill will be made law by the present General Assembly.

PURE ADVERTISING

BILL PASSED BY HOUSE

Little developed yesterday to disturb the legislative seas. Attacking a crowded calendar with the vigor born of the Sabbath day's rest, the House passed more than a score of local and uncontested bills, which go now to the Senate for concurrence. The Senate passed five bills and disposed of other routine business in a session of thirty-five minutes.

State-wide interest attaches to the "pure advertising" bill passed yesterday by the House. The measure makes it a misdemeanor for any person, firm or corporation to publish a deceptive or misleading advertisement, and provides for this offense a fine of from \$25 to \$250, or confinement in jail from ten to sixty days, or both. The bill was introduced by Delegates Jones, of Richmond, and Murray, of Newport News.

An amendment incorporated at the instance of Delegate Hugh A. White requires that the objectionable advertisement shall have been published "fraudulently and knowingly," thus relieving from punishment the individual or firm that is guilty of publishing a misleading advertisement through inadvertence. The bill was introduced at the request of the Retail Merchants' Association of Richmond, and has the support of retail merchants throughout the State.

PROPOSES ANNUAL SESSIONS

OF GENERAL ASSEMBLY

A joint resolution introduced yesterday by Delegate Hugh A. White provides for a constitutional amendment calling for the assembling of the Legislature every year for a session of forty-five days, instead of biennially, as at present, for a sixty-day session. Mr. White's plan is to model the General Assembly after Congress, making the two annual meetings the first and second half of a single session.

"At the first half of the session, under this resolution, would be introduced all bills, local and general, but only local measures would be passed. During the second half of the session the General Assembly would be restricted to the consideration and passage of the general bills introduced at the first half of the session and such other general bills of urgent character as the Legislature would, by a nine-tenths vote, permit to be offered."

"It is becoming more and more apparent that the sixty-day biennial session does not give enough time for the proper disposition of all business," said Mr. White yesterday. "At the past two sessions amendments were proposed looking to the lengthening of the session to ninety days. The same amendment will probably be offered this year. It will cost the State no more to hold annual sessions of forty-five days each than to hold a biennial session of ninety days, and the yearly meetings will be far more satisfactory."

A joint session of the Senate and House Committees on Schools and Colleges will be held on Thursday afternoon at 3:30 o'clock to take up the (Continued on Fifth Page.)

## POLICE AND HEALTH BOARDS ABOLISHED

But Council Sticks to Separate  
Nonsalaried Board for Control  
of Fire Department.

POLICE PUT UNDER MAYOR

Health Department Under Administrative Board—Concurs  
in Aldermen's Compromise.

By a vote of 12 to 6, the Common Council last night concurred in the Grundy substitute for the report of the Joint Committee on Charter Change, under the terms of which the Police Department is placed under control of the Mayor, the Health Department under the direction of the Administrative Board, and the Fire Department, as it is to-day, under the management of an unsalaried board.

The vote on concurrence stood as follows: ayes, Atkinson, Barkins, Butler, Cheatwood, Ferguson, Ladd, Haddon, Jones, Plicker, Ratcliffe, Rogers and President Peters; noes, Knutson, Powell, Powers, Seaton, Sullivan and Welsh.

There was question as to whether the Employment Bureau, under the terms of the Grundy substitute, would be placed under the Administrative Board, City Attorney Pollard, called into consultation at the request of Mr. Haddon, deciding that as the bureau was the creation of the City Council it would not be affected by change in the charter.

LOSERS FIGHT TO ABOLISH

BOARD OF FIRE COMMISSIONERS

Mr. English exercised futile effort to have the Fire Department placed under the Administrative Board, and Mr. Seaton made an equally vain endeavor to have the Police Board retained, while Mr. Sullivan, going a step further, offered argument in favor of the retention of all three independent boards. The Sullivan motion, offered as a substitute for the whole, lost by a vote of 10 to 8, and the Seaton motion was lost by the heavier vote of 15 to 3. Councilman C. C. Jones, of Madison Ward, chairman of the Joint Committee on Charter Change, voted for concurrence upon every question, and was highly elated at the success of his efforts.

Concurrence having been gained, it remains now only for the Mayor to sign the ordinance instructing the City Attorney to procure, in the General Assembly, the passage of a bill effecting the changes in the charter recommended by both branches of the City Council.

ALL AMENDMENTS

ARE VOTED DOWN

An amendment offered by Mr. English to give to officers and employees removed or suspended by the Mayor the right of appeal to a jury was defeated, 10 to 8. Mr. Jones explaining that the judge of the Hustings Court, to whom the right of appeal now lies, passes only upon the efficiency and adaptability of the officer or employee who may be removed or suspended.

Mr. English also attempted to prove that the charter changes would place the Employment Bureau under the Administrative Board, and said that the City Council should not yield to popular clamor for hasty legislation.

"I would not," said Mr. English, "sacrifice my personal opinion as to the advisability of making these suggested changes merely for the sake of harmony and agreement between the two branches. The report, I believe, should go back to the body from which it emanated." He moved to amend by placing the Fire Department under the Administrative Board, Seaton and Sullivan following with substitutes to leave the Police, Health and Police Department, and the Employment Bureau independent.

GIVES PEOPLE HAMMER

TO KNOCK COUNCIL WITH

"If we accept this report," said Mr. Seaton, "we will legislate ourselves out of existence. We will give to the people a hammer with which they may knock out our brains."

Mr. Sullivan wanted to know who was behind the movement for a change in the charter, and Mr. Haddon replied by saying that the City Council itself had appointed the Charter-Change Committee, and had appealed to the Legislature to permit the people to petition for, and vote upon, a change in the charter.

"There is no reason why we should shirk the responsibility laid upon our shoulders," said Mr. Haddon. "I am not satisfied with the amendments made by the Board of Aldermen, but I see no reason why, if we cannot get a whole lot, we should refuse half a loaf."

"But," replied Mr. Sullivan, "under the terms of the bill empowering the people to elect a charter-change commission, we can put the whole burden on them, and why should we assume this duty to ourselves. Haven't the boards proven satisfactory? We know that they have performed their duties well and that they cause no expense to the city, yet there is a hullabaloo because the charter changed." Mr. Sullivan said he was ready to meet the people on the question at the ballot box on April 1.

POWELL DEFENDS

SEPARATE POLICE BOARD

Mr. Powell spoke strenuously in favor of the retention of the Police Board, saying that the Police Department had been freed of its "kinks," and that it was operated as cheaply as any department in the country.

"Let's vote," urged Mr. Ferguson, and the vote was taken.

Mr. Seaton, vice-chairman of the Finance Committee, asked that the appropriations be limited to 97.1-2 per cent of the estimated revenues, instead of 95 per cent, as the original report (Continued on Second Page.)

## SETTLEMENT NEAR IN LUSITANIA CASE

Germany Submits Another Written  
Proposal Designed to  
End Controversy.

GREAT SECRECY PREVAILS

Objectionable Phrases Eliminated  
and Superfluous Discussions  
Stricken Out.

WASHINGTON, January 24.—Germany has submitted to the United States, through Ambassador von Bernstorff, another written proposal designed to bring about a settlement of the controversy over the sinking of the Lusitania, with a loss of more than 160 American lives. There were indications to-night that the document might bring to a satisfactory termination negotiations which have been in progress for eight months.

Although the greatest secrecy surrounds the negotiations, it was stated to-night on excellent authority that Germany had finally agreed to eliminate from the text of the agreement any mention of the warning issued by the German embassy the day the Lusitania sailed on her last trip from New York. Mention of this warning is understood to have been contained in the last proposal, which was rejected after President Wilson had considered it.

It is understood also that Germany has left out of her proposals general reservation of admission of wrongdoing on the part of her submarine commander, to which the United States objected.

WANTS U. S. TO TAKE UP

FREEDOM OF SEAS

It was stated authoritatively also that in her last communication Germany makes some reference of a desire to see the United States take some action in regard to the questions involving the freedom of the seas.

The German ambassador and Secretary Lansing probably will confer regarding the proposal in the immediate future.

Germany reiterates clearly, it is said, that the torpedoing of the Lusitania was an act of reprisal for the British blockade of the German coast. Extreme regret again is expressed that Americans lost their lives in the commission of the reprisal, and Germany freely offers reparation in the form of indemnity. The attention of the United States is called to the fact that such forms of reprisals have been continued as the result of negotiations with this government and to the fact that broad assurances for the future have been given. All discussions considered superfluous have been stricken from the proposal.

Consideration of public opinion in this country and Germany were said to have played an important part in the drafting of the document. It has been pointed out that German public opinion would not look with approval upon a form of settlement which in any way admitted that, regardless of the Americans involved, the torpedoing of the Lusitania was an improper act, and which might reflect upon the commander of the German submarine, who was acting under instructions, which since have been modified. In view of these instructions, Germany may admit in the final settlement that it was wrong that Americans should have been lost without conceding it was wrong for the commander to fire a torpedo at the liner.

GERMANY MOST ANXIOUS

TO SETTLE CONTROVERSY

The German government is understood to be most anxious to settle the matter in a manner mutually satisfactory to both governments, but does not think it is honorable to accept the views of the United States.

An optimistic feeling seemed to prevail in both diplomatic and official circles.

A new proposal is understood to have reached the German embassy late last week. The proposal is understood to have been received by Secretary Lansing last night or early to-day, and submitted to the President. The document is said to cover about one and one-half sheets of ordinary letter paper.

That the negotiations have been near a termination several times within the past month is known, though President Wilson, Secretary Lansing and the German ambassador are virtually the only ones in the secret of the exchanges.

Count von Bernstorff is understood to have personally drafted the proposal now under consideration. He has been operating under wide latitude, which has been allowed him by his government; submitting to Berlin from time to time the more important questions involved. After his last proposal was rejected, he is understood to have asked his government for permission to eliminate from the text of the document all matter objectionable to the United States.

WILL SEND REJOINER

TO LAST AUSTRIA NOTE

With prospects of settlement of the Lusitania dispute near a finish, the United States is to dispatch its forthcoming rejoinder to Austria-Hungary's last Austria note.

The note, in a broad sense, is in a satisfactory tone. Certain officials believe that Austria-Hungary's attempt to justify the torpedoing will be overcome. They are unable to agree that forty minutes was more than sufficient time to afford the persons on board an opportunity for embarkation, and do not consider that there was justification for the theory that the commander of the submarine torpedoed the vessel "to accelerate" the sinking, because a steamer, presumably an enemy cruiser, appeared on the horizon. Assurances that the incident would not be repeated would be highly acceptable.

## SCUTARI WON BY AUSTRIANS

Air Raids Take Place  
in Various Localities

Air raids have taken place in various localities. Germans again have passed over Dover in an aeroplane, which was engaged by all the anti-aircraft guns and pursued by British airmen. Whether bombs were dropped is not stated in the official announcement.

Monastic, Glegely and other points held by the Teutonic allies near the Greek border were visited by a large French air squadron and violently bombarded, while Metz and German positions in Belgium also were visited by the entente allied aircraft and bombed.

Nothing has come through concerning the situation on the Russian front. On the French and Italian fronts the usual bombardments and sniping operations continue, but without great gains for either side.

The British, through the explosion of a mine near St. Etienne, in the Arns region, did considerable damage to German trenches, and also silenced German trench mortars by artillery fire near Ypres.

Floods and generally bad weather are hampering the operations of the British against the Turks in Mesopotamia. The high water in the Tigris is preventing troop movements. During the last in the fighting an armistice was declared for the burial of the dead.

In Northwest Egypt the British have been successful in an attack on a camp of the Senussi tribesmen, the tribesmen being dispersed and their camp destroyed.

## U. S. VIGOROUSLY OPPOSES TRADING WITH ENEMY ACT

Representations Prepared for Presentation  
to British Foreign Office.

TO GO FORWARD IMMEDIATELY

Holds That It Will Be Impossible  
Successfully to Aim Blow at Germany  
Without Doing Great Damage  
to Interests of This Country.

WASHINGTON, January 24.—Great Britain's "trading with the enemy" act is vigorously opposed by the United States in representations prepared to-day for presentation to the British Foreign Office. They are expected to go forward immediately.

The State Department considers that grave and unjustifiable injury to American commerce may follow should an attempt be made to enforce provisions affecting business in this country.

"The trading with the enemy" act prohibits persons residing in Great Britain from trading with any corporations or individuals which are engaged in supplying the Teutonic allies or have business dealings with them.

OBJECTS TO APPLICATION

OF ACT TO U. S. TRADE

The position of the United States is that, aside from a lack of legal authority for proposed interference with trade, the relations of American and German capital with American manufacturing industries are such that it would be quite impossible to successfully aim a blow at Germany without doing great damage to interests in this country. This fact in itself is considered sufficient justification for objection to the application of the act to American trade.

The representations will not take the form of a protest, because the act is limited in its immediate operation to British subjects, but they will serve the purpose of warning Great Britain that the act is regarded as being wholly unfair, and that the proper compensation will be expected for any injury sustained by American trade.

Officials regard the American position as being amply backed by precedent, and say Great Britain itself has made objections to attempts to injure the trade of an enemy at the expense of a neutral.

## REV. DAVID L. FRAZER DEAD

Widely Known Presbyterian Minister  
and Theological Writer Expires in  
His Seventy-Eighth Year.

[Special to The Times-Dispatch.]  
NEWARK, N. J., January 24.—Rev. David L. Frazer, personal friend of Woodrow Wilson, and for twenty-six years pastor of the rich First Presbyterian Church here, died to-day at the home of his son, Spaulding Frazer. He was in his seventy-eighth year.

He was widely known as a theological writer, was a director of the Bloomfield (N. J.) and Union Theological Seminaries and a trustee of Princeton University. It was while serving in the latter capacity that a close friendship developed between Dr. Frazer and Mr. Wilson, then president of Princeton. Dr. Frazer was one of the guests at the wedding of Mrs. Francis B. Sayre, the President's daughter.

Dr. Frazer graduated from Princeton in 1861 and from Union Theological Seminary in 1864. His first charge was a pastorate at Clinton, S. I. Thereafter he held the pastorate of Presbyterian churches in Hudson, N. Y., Buffalo and Brooklyn.

## SERB DEFENDERS RETIRE WITHOUT ANY RESISTANCE

Most Important Trading  
Town in Albania Falls  
Before Invaders.

DISARMING OF COUNTRY  
IS WITHOUT FRICTION

Montenegrins Lay Down Arms  
Before Arrival of Troops and  
Return to Homes.

GERMAN AIRSHIP OVER DOVER

Hostile Machine Engaged by All  
Anti-aircraft Guns and Pursued  
by British Airmen.

BERLIN, January 24 (by wireless to Sayville).—Scutari has been occupied by Austro-Hungarian troops, according to an announcement to-day by the Austro-Hungarian headquarters. Several thousand Serbians, who formed the garrison, retired toward the south without offering any resistance.

The text of the statement follows: "Scutari has been occupied by Austro-Hungarian troops. Several thousand Serbians, who formed the garrison, retired toward the south without resistance."

"Austro-Hungarians also have occupied Niksic, Danilovgrad and Podgoritz."

"The disarming of the country has been carried on up to the present without friction. At several places the Montenegrins have not even waited until the Austro-Hungarians entered, but have laid down their arms before the arrival of the troops, in order to return to their homes. At other places a majority of those disarmed prefer internment to being sent home."

"The population generally has received our troops in a friendly manner, and in some instances with ceremony. Riots such as occurred at Podgoritz ceased as soon as the first Austro-Hungarian detachment appeared."

"Italian advances in the district of Iavaron and on the Rombon slope were repulsed."

Scutari was occupied by Montenegrin troops in June, 1915, it being explained in an official note issued by the Montenegrin government that strategic and political reasons impelled the Montenegrin descent on Albania. An additional reason given was that other powers already had requested portions of that country.

Scutari is the most important trading town in Albania, and has a population of 20,000. It lies on the east bank of Lake Scutari, and has been rebuilt since the earthquake of 1905.